§ 204.43

shall be actually received by A.I.D. at the address specified below:

Mail Address:

Office of Housing and Urban Programs, Agency for International Development, Washington, DC 20523.

Re: A.I.D. Housing Guaranty Project

-HG-

1

Telex Nos.: ITT 440001 (Answer back is AIDWNDC) RCA 248379 (Answer back is 248379 AID UR) WU 892703 (Answer back is AID WSH) WU 64154 (Answer back is AID 64154)

Fax No.: 202/647-4958

Cable Address: AID WASH DC

Other addresses may be substituted for the above upon the giving of notice of such substitution to each Lender or Assignee by first class mail at the addresses set forth in the Note Register.

§ 204.43 Governing law.

This Guaranty shall be governed by and construed in accordance with the laws of the United States of America governing contracts and commercial transactions of the United States Government.

EXHIBIT A TO PART 204—APPLICATION FOR COMPENSATION

Office of Housing and Urban Programs, Agency for International Development, International Development Cooperation Agency, Washington, DC 20523 Ref: Guaranty dated as of

Project HG-______ , 19____: A.I.D. Housing

Gentlemen: You are hereby advised that payment of \$_____ (consisting of \$_____ cipal, \$ of prinof interest and \$ in Further Guaranteed Payments as defined in Section 204.01(i) of the Standard Terms and Conditions of the above-mentioned Guaranty1) was due on _ principal amount of Notes held by the undersigned of the "Borrower"), issued pursuant to the Loan Agreement, dated as of _____, ___ tween the Borrower and _ amount \$ was not received on such date and has not been received by the undersigned at the date hereof. In accordance with

tioned Guaranty, the undersigned hereby plies, under Section 204.21 of said Guaran	ty,
for payment of a total of \$, r	
resenting \$, the outstanding pr	
cipal amount of the presently outstand	ing
Notes of the Borrower held by the und	er-
signed issued pursuant to said Loan Agr	ee-
ment, and \$ in Further Guar	an-
teed Payments, 2 plus accrued and unpaid	
terest thereon to and including the date p	ay-
ment in full is made by you pursuant to s	aid
Guaranty. Such payment is to be made	at
your office in Washington, DC.	
[Name of Applicant]	
Ву	
Name	
Title	
Dated	

the terms and provisions of the above-men-

EXHIBIT B TO PART 204—ASSIGNMENT

The undersigned, being the registered
owner of a Note in the principal amount of
\$ issued by the (the
"Borrower"), pursuant, and
guaranty, dated as of, the
"Guaranty"), between the Lender and the
United States of America, acting through
the Agency for International Development
("A.I.D."), hereby assigns to A.I.D., without
recourse (i) its entire right, title and interest
in and to the Note of the Borrower referred
to above (which Note is attached hereto), in-
cluding its rights to unpaid interest on such
Note, and (ii) its entire outstanding right,
title and interest arising out of said Loan
Agreement with respect to such Note, except
the undersigned's right to receive payments
under the Loan Agreement in respect of
which A.I.D. has made no payment to the un-
dersigned as of the date hereof.
F37

[Name of Applicant]

ву
Name
Title
Dated
Accepted:
UNITED STATES OF AMERICA
Ву
Name
Title
Dated

¹Enter title and numerical designation of the relevant A.I.D. Housing Guaranty Project as inscribed on each Note guaranty legend.

¹Strike inapplicable portion.

²In the event the Application for Compensation relates to Further Guaranteed Payments, such Application must also contain a statement of the nature and circumstances of the related loss.

PART 205—PARTICIPATION BY RELI-GIOUS ORGANIZATIONS IN USAID PROGRAMS

AUTHORITY: 22 U.S.C. 2381(a).

§ 205.1 Grants and cooperative agreements.

(a) Religious organizations are eligible, on the same basis as any other organization to participate in any USAID program for which they are otherwise eligible. In the selection of service providers, neither USAID nor entities that make and administer sub-awards of USAID funds shall discriminate for or against an organization on the basis of the organization's religious character or affiliation. As used in this section, the term "program" refers to Federally funded USAID grants and cooperative agreements, including sub-grants and sub-agreements. The term also includes grants awarded under contracts that have been awarded by USAID for the purpose of administering grant programs. As used in this section, the term "grantee" includes a recipient of a grant or a signatory to a cooperative agreement, as well as sub-recipients of USAID assistance under grants, cooperative agreements and contracts.

(b) Organizations that receive direct financial assistance from USAID under any USAID program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the programs or services directly funded with direct financial assistance from USAID. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs or services funded with direct financial assistance from USAID, and participation must be voluntary for beneficiaries of the programs or services funded with such assistance. These restrictions on inherently religious activities do not apply to programs where USAID funds are provided to chaplains to work with inmates in prisons, detention facilities, or community correction centers, or where USAID funds are provided to religious or other organizations for programs in prisons, detention facilities, or community correction centers, in which such organizations assist chaplains in carrying out their duties.

(c) A religious organization that participates in USAID-funded programs or services will retain its independence and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs. provided that it does not use direct financial assistance from USAID to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, a religious organization that receives financial assistance from USAID may use space in its facilities, without removing religious art, icons, scriptures, or other religious symbols. In addition, a religious organization that receives financial assistance from USAID retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

(d) USAID funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. USAID funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. Where a structure is used for both eligible and inherently religious activities, USAID funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to USAID funds in this part. Sanctuaries, chapels, or other rooms that a USAIDfunded religious congregation uses as its principal place of worship, however, are ineligible for USAID-funded improvements. Disposition of real property after the term of the grant, or any change in use of the property during the term of the grant, is subject to government-wide regulations governing real property disposition. (See 22 CFR part 226).